GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:1767
ANSWERED ON:12.12.2003
REVIVAL OF NJMC
BASUDEB ACHARIA;PRIYA RANJAN DASMUNSI

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government are concerned about the future of 18,000 employees working in National Jute Manufacturing Company Limited, at Kolkata;

(b) if so, whether the Government has taken necessary steps to revive the company;

(c) if so, the details thereof;

(d) whether the attention of the Government has been drawn to the deliberate stoppage of Electricity and Water supply to its corporate headquarters and unit head offices forcing employees to vacate the building;

(e) if so, the details thereof and reasons therefore; and

(f) the action taken to solve the present crisis?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES(SHRI GINGEE N. RAMACHANDRAN)

(a) Yes, Sir.

(b) & (c) The Government has been constantly reviewing the performance of NJMC, a sick public sector undertaking under the control of Ministry of Textiles. NJMC was referred to BIFR in 1993 and the matter is still under consideration of BIFR. Various Turn Around Plans for revival of the Corporation have been prepared by the Industrial Investment Bank of India (IIBI), the Operating Agency appointed by BIFR for revival of the Company.Efforts were also made by the Government to attempt unitwise revival of the mills through its takeover by Workers Cooperative, the State Government or through open bids to the private parties.

(d) to (f) The Government is aware of the fact that CESC Ltd., Kolkata (the electricity utility), disconnected electricity supply to 4, Netaji Subhash Road, Kolkata, housing the Corporate Office of NJMC, on 10.10.2003. The management of NJMC Ltd. did not deliberately stop electricity. The factual position is that the ownership of the premises changed and the present owner, who is the registered consumer under CESC, requested for disconnection of electricity.The NJMC Ltd. moved the Kolkata, High Court, for getting electricity connection restored (Civil Writ Petition No. 2183 of 2003 filed on 5.11.2003).The Kolkata, High Court, passed an interim order on 27.11.2003, in compliance of which, CESC restored electricity supply to the Corporate Head Office of NJMC on the same day. This building also houses the Offices of Alexandra, Union, Kinnison, BJEL, and R.B.H.M. Katihar, units of the NJMC Ltd. Even during the intervening period electricity was provided to the corporate building headquarters through a generator hired by the NJMC management.

The water supply connection is yet to be restored because the new owner, M/s Cold Gold Syntex Pvt. Ltd. have not yet restored electricity supply to the pump which provides water to the Corporate Office Building.However, NJMC has made temporary arrangements for the supply of water to the office on hire basis from the market.

The Unit Head Quarters of the National and the Kharda Mills are located in a separate building at 7, Red Cross Place, Kolkatta and electricity and water supply was not disconnected in the recent past.